

Highway funding issue is deeper than tax shortfall

September 8, 2008 - 8:40PM

Local residents who have been looking forward to a fully widened State Route 85 that connects Gila Bend to Interstate 10 may have to wait a little longer due to a highway funding crisis.

The highway north of Gila Bend is one of \$170 million in roadway projects which the Arizona Department of Transportation has announced will be halted until the federal government can provide money promised for the work. The state received \$650 million last year in federal highway money.

The state is taking the precaution of putting the projects on hold until the solvency of the federal Highway Trust Fund can be resolved.

U.S. Transportation Secretary Mary Peters announced last week that her agency would provide highway funding only on a week by week basis. The problem is that the fund is running out of money, in part due to reduced tax revenue from gasoline sales.

Americans have cut back on their driving and bought more fuel efficient vehicles due to recent high gas prices. As a result, there is a reduced flow of federal fuel taxes which are intended to fund highway projects.

According to a Capitol Media Services report, the Highway Trust Fund could run out of money by the end of the month. If that happens, Arizonans and others across the nation will quickly find out how dependent states have become on federal highway funding.

The Bush administration has asked for Congress to step in and provide \$8 billion as a temporary fix for the problem, but the measure is hung up in Congress.

The 18.4 cent a gallon federal tax on gasoline is actually one of the more beneficial taxes put on the backs of Americans. The intention is that drivers - the ones who use highways and benefit from their improvement - pay for them. It is better than a general tax that impacts everyone, even if they don't use the highways.

Still, the program is far from perfect and is subject to abuse by Congress.

As noted by the U.S. Transportation Department director, members of Congress are able to "earmark" highway funds for their favorite projects, like the infamous unnecessary Alaskan "bridge to nowhere." Peters also pointed out that members of Congress have shanghaied funds for non-transportation projects like lighthouses and museums.

If Congress is truly going to fix the highway fund, it needs to start by looking at its own members.